

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 173 - HB 164**

March 8, 2019

**SUMMARY OF BILL:** Prohibits a person 18 years or older from operating a motor vehicle and talking on a hand-held mobile telephone on any road or highway while the vehicle is in motion. Prohibits a person under 18 years of age from operating a motor vehicle and talking on a mobile telephone that is equipped with a hands-free device on any road or highway while the vehicle is in motion.

Establishes that violation of such is a Class C misdemeanor, punishable by fine only, not to exceed \$100, except if the violation results in an accident, it shall not exceed \$200. Establishes that such a violation is subject to the imposition of court costs not to exceed \$50. Establishes the traffic citation as a moving violation and allows points to be added to a driver record. Establishes an effective date of January 1, 2020.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue –**

**Exceeds \$262,400/FY19-20**

**Exceeds \$524,700/FY20-21**

**Up to \$262,400/FY21-22 and Subsequent Years**

**Increase Local Revenue –**

**Exceeds \$31,100/FY19-20**

**Exceeds \$62,100/FY20-21**

**Up to \$31,100/FY21-22 and Subsequent Years**

**Assumptions:**

- It can be reasonably estimated that all law enforcement agencies that issue citations for the proposed offense will charge the maximum allowed fine of \$100 for operating a motor vehicle and talking on a mobile telephone and \$200 for such a violation resulting in an accident.
- In 2016, there were 1,723 texting while driving citations issued. It is estimated that a similar number of citations will be issued under this legislation.

- According to DOS's *Tennessee Distracted Driver Crashes by Year & County Report*, there was an average of 24,180 traffic crashes caused by distracted driving between 2015 and 2017 [(22,979 + 24,774 + 24,786) / 3].
- The exact cause of distraction is not available, but it can be reasonably estimated that at least 10 percent, or 2,418, were caused by talking on a hand-held mobile telephone.
- Therefore, it is estimated that at least 4,141 citations (1,723 + 2,418) will be issued in the first full fiscal year after implementation.
- Twenty percent of fines are assumed to go unpaid due to indigence.
- In FY20-21, the increase in state revenue from citations is estimated to exceed \$524,720 [(1,723 x \$100) + (2,418 x \$200) x 80%].
- Given the effective date of January 1, 2020, there will be a half year impact for FY19-20. It is estimated that the increase in state revenue for FY19-20 will exceed \$262,360 (\$524,720 x 50%).
- Under the provisions of this legislation, a violation is subject to the imposition of court costs up to \$50. It can be reasonably estimated that the average court cost imposed will be \$15.
- In FY20-21, the total increase in local revenue is estimated to exceed \$62,115 (4,141 x \$15).
- The FY19-20 increase in local revenue will exceed \$31,058 (\$62,115 x 50%).
- California was one of the first states to pass similar legislation. According to the California Office of Traffic Safety's *Observational Study of Handheld Cellphone and Texting Use Among California Drivers 2017 Summary Report*, hand-held cellphone usage fell from 7.6 percent to 3.6 percent in one year following the passage of the law.
- Given the above information and the increasing access to hands-free technology, it is reasonably estimated there will be an approximant 50 percent reduction in the use of and citations issued for talking on a hand-held mobile telephone under this legislation by 2021.
- The increase in state revenue in FY21-22 and subsequent years is estimated to be up to \$262,360 (\$524,720 x 50%) and the increase in local revenue in FY21-22 and subsequent years is estimated to be up to \$31,058 (\$62,115 x 50%).
- Any increase to the workload of the courts or law enforcement officers, as a result of this legislation, is estimated to be handled with existing resources and personnel.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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